

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF JAMES L.	)	APPEAL NO. 06-A-2555
PEPLINSKI from the decision of the Board of Equalization	)	FINAL DECISION
of Kootenai County for tax year 2006.	)	AND ORDER

**RESIDENTIAL PROPERTY APPEAL**

THIS MATTER came on for hearing December 15, 2006, in Coeur d'Alene, Idaho, before Board Member Vernon L. Driver. Board Members Lyle R. Cobbs and David E. Kinghorn participated in this decision. Appellant James Peplinski appeared for himself. Assessor Mike McDowell, Residential Appraisal Manager Darin Krier and Appraiser Steve Hagler appeared for Respondent Kootenai County. This appeal is taken from a decision of the Kootenai County Board of Equalization (BOE) denying the protest of the valuation for taxing purposes of property described as Parcel No. 04020000008B.

**The issue on appeal is the market value of a residential waterfront property.**

**The decision of the Kootenai County Board of Equalization is affirmed.**

FINDINGS OF FACT

The assessed land value is \$699,361, and the improvements' valuation is \$81,696, totaling \$781,057. Appellant requests the land value be reduced to \$331,000, and the improvements' value be reduced to \$70,350, totaling \$401,350.

The subject property is a cabin located on a 65 foot wide waterfront lot. Subject is located north of Rockford Bay on the west side of Coeur d'Alene Lake in Kootenai County.

Mr. Peplinski testified the only sale in subject's area was located next to subject and took place in April 2004. The sale property included 85 feet of waterfront with a 1,200 square foot residence and sold for \$407,500. Appellant maintained subject is 70% of the sold property size,

and therefore 70% of the sale price would make subject worth \$285,250.

Appellant stated he did not understand where the County's values came from or the basis for the large increase in assessed value in one year. Appellant charged an arbitrary classification was established for each property and it is not apparent if the classification was correct. Mr. Peplinski maintained subject site is smaller than the typical lake lot, and would not sell for the assessed value.

The County explained the subject property was last physically reappraised for the 2003 assessment year. Residences in subject's neighborhood ranged from 200 to 3,500 square feet. The majority of the residences were built in the 1960's. At reappraisal, the characteristics of the subject were updated and both the residence and waterfront were compared to sales of other residences and lakefront in subject's area. Captured property characteristics included quality and condition of the improvements and specifics about the site such as topography, views, access, and amenities, and typical as well as non-typical conditions.

The County explained the 2004, 2005 and current 2006 assessed values of subject were the result of trends developed from comparing market sale prices to assessed values. The trends are applied to prior year assessed values to reflect current market value conditions.

#### CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Appellant claimed subject's assessed value is excessive based on a 2004 sale and subject's non-typical 65-foot waterfront lot.

According to Respondent, sale prices have appreciated to such a degree that the 2004 sale of the neighboring property is not indicative of the current market value in 2006. The Board was persuaded by Respondent and the evidence in record that the 2004 unadjusted sale price is too dated to be relevant today. Unfortunately, Appellant did not offer more current sales to support the value reduction claim.

There was no debate concerning the characteristics of the subject property and whether the County record was correct in this regard.

In the current case, the burden of proof [preponderance] lies with the party challenging the assessment to show that he is entitled to the relief claimed. The Senator, Inc., v. Ada County Board of Equalization, 138 Idaho 566, 569, 67 P.3d. 45, 48 (2003). See also Idaho Code Section 63-511(4) (2006).

In this case, the Board finds Appellant has not provided sufficient information to demonstrate the assessed value is in error. Therefore we will affirm the decision of the Kootenai County Board of Equalization.

#### FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Kootenai County Board of Equalization concerning the subject parcel be, and the same hereby is, affirmed .

DATED this 27th day of April 2007.